

CITY OF HOMER
HOMER, ALASKA

Roberts

RESOLUTION 11-061(A)(S)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, SETTING ~~WATER/SEWER DEPRECIATION RESERVE TRANSFERS OF A MINIMUM OF \$200,000 PLUS TO THE NET CHANGE IN FUND BALANCE ANNUALLY.~~

A MINIMUM OF \$200,000 TO WATER/SEWER DEPRECIATION RESERVES ANNUALLY THROUGH THE BUDGET PROCESS; ADDITIONALLY, ANY RESIDUAL AMOUNT AT YEAR END IS TO BE TRANSFERRED TO THE WATER/SEWER DEPRECIATION RESERVES.

WHEREAS, When compiling the budget, the current practice is that the amount of depreciation reserves transferred annually is set during the budget cycle; and

WHEREAS, It would be beneficial to set the amount transferred to depreciation reserves by the residual amount at year end; and

WHEREAS, By amending the procedure to set water/sewer depreciation reserve transfers to the net change, it would allow the economy time to recover and build depreciation reserves by only what the utility can afford; and

WHEREAS, This is classified as the “change in fund balance” in the financial statements.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, approves setting ~~water/sewer depreciation reserve transfers of a minimum of \$200,000 plus to the net change in fund balance annually.~~ to water/sewer depreciation reserves annually through the budget process; additionally, any residual amount at year end is to be transferred to the water/sewer depreciation reserves.

PASSED AND ADOPTED by the Homer City Council this 13th day of June, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

47 JO JOHNSON, CMC, CITY CLERK

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50 Fiscal information: N/A.

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